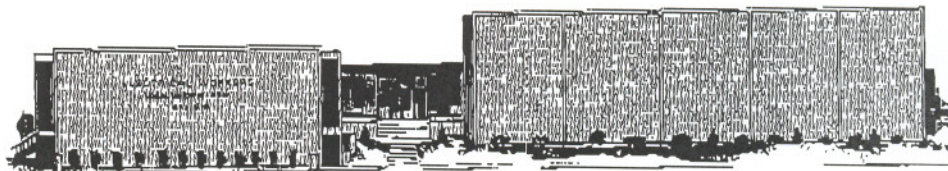


# Electrical Workers



## No. 58



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April 15, 2003

Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554

Dear Commissioners:

We write on behalf of the International Brotherhood of Electrical Workers (IBEW) Local 58, as well as the Michigan State Conference of the IBEW, to express our very strong concerns regarding the SBC application for authorization in Michigan to offer inter-LATA service pursuant to Section 271 of the Telecommunications Act of 1996 ("1996 Act").

In our view, there are very serious doubts as to whether SBC has fulfilled its predicate legal obligations to open its local facilities to competitors. We believe that such concerns must be addressed, consistent with federal law, as a condition for SBC's entry into long distance markets. This is the essence of the deal struck in the 1996 Act - a deal which SBC heartily embraced.

Fulfilling the 1996 Act's promise of competition in the local telecom markets is important for working Americans and consumers. As our President, Edwin Hill recently remarked, "competition is responsible for creating tens of billions of dollars in new investments in telecommunications networks which, in turn, is creating new jobs for our members in the telecommunications sector and lowering prices of telecommunications services for working Americans."

Here in Michigan, the 1996 Act is a job-generator. Competition is helping employ thousands of electrical workers through new job orders that result from competitors being able to access the monopoly networks. Over 840 Michigan-based electrical contractors use many of our over 12,300 members to do much of the inside wiring required for interconnection to the Bell facilities. It is paramount that SBC fulfill the market-access requirements of the 96 Act to ensure that this job growth will not be arrested.

In our view, this market-access requirement is fair because the Bell companies' facilities were built with ratepayer-guaranteed rates of return, and with government subsidies, protections and the grant of an exclusive franchise. The requirements are also fair because the Bells are able to similarly lease long distance lines at 70% discounts -- provided that the local markets are first opened. This brings us to the issue at hand.

Today, there is considerable evidence that SBC has not opened up the local telecom markets,

April 15, 2003  
Federal Communications Commission  
Page two

as the law requires. As the Bush Administration's Department of Justice (DOJ) recently concluded, the evidence "precludes a conclusion based on the existing record that the local market in Michigan is and will remain open to competitive entry."

In fact, according to the DOJ, SBC has employed a host of tactics to impede competition. Such tactics include apparent failure to comply with proper change management procedures<sup>1</sup>, dysfunctional Operational Support Systems (OSS)<sup>2</sup>, gamesmanship regarding line-loss notifications<sup>3</sup>, improper billing procedures<sup>4</sup>, and incomplete performance data measures<sup>5</sup>, among others.

Ideally, we would like to see SBC be able to enter the long distance market, as such a move would create additional competition in long distance, and all-distance markets, which we would normally embrace. But we do not support the entry into such markets to the extent it undermines competition in the local telephone and narrowband data markets.

At the present moment, it appears to us that, given the numerous detailed failures of SBC to properly open the local markets, as recounted by the DOJ and others, granting SBC entry into the long distance markets would significantly undermine the considerable benefits of competition as guaranteed by the 1996 Act.

Thank you for your careful attention to this.

Sincerely,



Daniel T. Lane  
Business Representative

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<sup>1</sup>Evaluation of the U.S. Department of Justice in the Matter of Application of SBC Communications Inc, et al, for Provision of In-Region, InterLATA services in Michigan. WC-Docket No. 0316 (February 26, 2003) ("DOJ - SBC Michigan 271 Evaluation") at 6-7.

<sup>2</sup>Id., at 8

<sup>3</sup>Id., at 8.

<sup>4</sup>Id., at 10.

<sup>5</sup>Id., at 14-16